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# United States Senate

WASHINGTON, DC 20510-4705

July 6, 2006

COMMITTEES:  
COMMERCE, SCIENCE, AND  
TRANSPORTATION  
ENERGY AND NATURAL  
RESOURCES  
INDIAN AFFAIRS  
SMALL BUSINESS

522418-70407

Mr. David Thomas  
Director  
Federal Trade Commission  
Office of Congressional Relations  
600 Pennsylvania Avenue Southeast, Rm 404  
Washington, D.C. 20580

RE: Mr. Philip Crawford  
[REDACTED]  
[REDACTED]



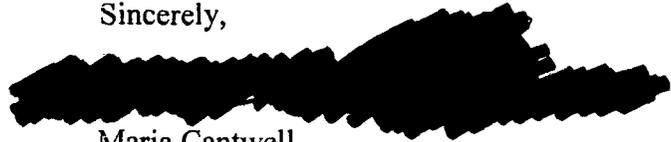
Dear Mr. Thomas,

My constituent, Mr. Philip Crawford, has contacted my office for assistance with an issue within your jurisdiction. The following document(s) provide an explanation of my constituent's concern or request. I would appreciate your prompt attention to this matter, and I look forward to your response.

Please direct your response to Jay Pearson in my Seattle District Office at Jackson Federal Building, 915 2nd Avenue, Suite 3206 Seattle, Washington, 98174. Jay Pearson can be reached via: phone: 206-220-6400, fax: 206-220-6404, or email: [jay\\_pearson@cantwell.senate.gov](mailto:jay_pearson@cantwell.senate.gov).

If I can provide any additional information, please do not hesitate to contact my office. Thank you for your assistance in this matter.

Sincerely,



Maria Cantwell  
United States Senator

MC: jp

PLEASE REPLY TO:

2000 WASHINGTON AVENUE  
SUITE 9B  
EVERETT, WA 98201  
(425) 303-0114  
FAX: (425) 303-0151

825 JADWIN AVENUE  
SUITE 200/204A  
RICHLAND, WA 99352  
(509) 940-8106  
FAX: (509) 940-9377

JACKSON FEDERAL BUILDING  
915 2ND AVENUE, SUITE 3206  
SEATTLE, WA 98174-1003  
(206) 220-6400  
TOLL FREE: 1-888-646-7028  
FAX: (206) 220-6404

U.S. FEDERAL COURTHOUSE  
WEST 920 RIVERSIDE, SUITE 607  
SPOKANE, WA 99201  
(509) 353-2507  
FAX: (509) 353-2547

590 FIFTH AVENUE  
SUITE 615  
TACOMA, WA 98402  
(206) 570-2131  
FAX: (206) 570-5879

MULTIPLE HOUSES  
1310 QUEEN OF PEACE  
FACILITY  
VANCOUVER, WA 98101  
(206) 835-7508  
FAX: (206) 835-7511

From: "webservd@www.senate.gov" <webservd@www.senate.gov>  
Date: 7/6/2006 2:42:13 PM  
To: webmail@cantwell-ig.senate.gov  
Subject: www\_email

Sender's IP address = [REDACTED]

<APP>SCCMAIL  
<PREFIX>MR</PREFIX>  
<FIRST>Philip</FIRST>  
<LAST>Crawford</LAST>  
<ADDR1>[REDACTED].</ADDR1>  
<ADDR2></ADDR2>  
<CITY>[REDACTED]</CITY>  
<STATE>[REDACTED]</STATE>  
<ZIP>[REDACTED]</ZIP>  
<HPHONE></HPHONE>  
<WPHONE></WPHONE>  
<EMAIL>[REDACTED]</EMAIL>  
<ISSUE>CASE</ISSUE>

<MSG>I own a small home based business here in Port Townsend; we market through independent distributors who are also mostly home based businesses.

The Federal Trade Commission proposed a new Business Opportunity Rule R511993 on April 17 with a planned adoption of July 17, now postponed to August 17. This proposed rule has several harsh terms that are almost impossible for us to meet. For example, it requires that we provide to any prospective new distributor the names, addresses, telephone numbers, and email addresses of our ten geographically closest representatives, and if we are unable to do this, we must provide our entire list of representatives nationally.

Our software doesn't have the geocoding necessary to provide a selected list, so we would be compelled to turn over our entire distributor list to anyone who asks.

Most of our distributors are women who work from their homes. This is a huge problem if we have to turn their personal information over to anyone who fills out an application, particularly as the applicant might be a rival competitor, or even worse some crook who is building a list to do spamming or identify theft.

The rule also requires a very complex process before we enroll a distributor that seems to have been copied from SEC regulations relating to offering unregistered securities. The FTC regulations are already quite stringent, we cannot charge more than \$500 for an initial distributor packet, and we are already required to make detailed disclosures. My company only charges \$100 for a distributor packet. However the new regulation would require, among other things, that we wait a week after discussing distributor applications before accepting their money.

This is ridiculous! You can buy a \$5,000 vacation without waiting a week; you can buy a \$50,000 car without waiting a week, you can buy a \$500,000 house without waiting a week to sign a contract.

This regulation will have exactly the opposite effect from the intended results. It will shut down honest businesses like mine, while giving a perfect road map to the crooks and scammers, who can request distributor lists from every company

like ours in the industry, quickly solicit investments from thousands of small home based workers, and be off with the money before the FTC can do anything.

Please help!</MSG>  
<>Submit Message</>  
</APP>